

# CHANGE IN TERMS AGREEMENT

COPY

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$23,000.00	04-26-2018	04-26-2019	2757539938	B5	****	***	***
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Incorporation Of Jonesboro Arkansas  
PO Box 1845  
Jonesboro, AR 72403

**Lender:** CENTENNIAL BANK  
Jonesboro Main Branch  
2901 East Highland Drive  
Jonesboro, AR 72401

**Principal Amount: \$23,000.00**

**Date of Agreement: April 26, 2018**

**DESCRIPTION OF EXISTING INDEBTEDNESS.** Promissory note #2757539938 dated 04/26/2015 in the original amount of \$23,000.00.

**DESCRIPTION OF COLLATERAL.** Unsecured.

**DESCRIPTION OF CHANGE IN TERMS.** Renewal of loan #2757539938 and Letter of Credit #1471.

**PROMISE TO PAY.** Incorporation Of Jonesboro Arkansas ("Borrower") promises to pay to CENTENNIAL BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Twenty-three Thousand & 00/100 Dollars (\$23,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 5.250% per annum based on a year of 360 days. Interest shall be calculated from the date of each advance until repayment of each advance. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in full immediately upon Lender's demand. If no demand is made, Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on April 26, 2019. Unless otherwise agreed or required by applicable law, payments will be applied first to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note; then to any late charges; then to any accrued unpaid interest; and then to principal. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this loan is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in the loan documents.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CENTENNIAL BANK, Jonesboro Main Branch, 2901 East Highland Drive, Jonesboro, AR 72401.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 10.000% of the regularly scheduled payment or \$25.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this loan shall be increased to 17.000% per annum based on a year of 360 days. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Borrower fails to make any payment when due under the Indebtedness.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or ability to perform Borrower's obligations under this Agreement or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness evidenced by this Note.

**Change In Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Agreement and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arkansas without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Arkansas.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of the State of Arkansas, in the county in which Borrower's following address is located: PO Box 1845, Jonesboro, AR 72403.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

**CHANGE IN TERMS AGREEMENT  
(Continued)**

Loan No: 2757539938

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**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**LINE OF CREDIT.** This Agreement evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Agreement may be requested either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized, except as provided in this paragraph, to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: **Harold Perrin, Mayor of Incorporation Of Jonesboro Arkansas; and Donna Jackson, City Clerk of Incorporation Of Jonesboro Arkansas.** Draws are based upon conditions set forth in Letter of Credit # 1471. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Agreement at any time may be evidenced by endorsements on this Agreement or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Agreement if: (A) Borrower or any guarantor is in default under the terms of this Agreement or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Agreement; (B) Borrower or any guarantor ceases doing business or is insolvent; (C) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Agreement or any other loan with Lender; (D) Borrower has applied funds provided pursuant to this Agreement for purposes other than those authorized by Lender; or (E) Lender in good faith believes itself insecure.

**CONTINUING VALIDITY.** Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

**INTEREST RATE GOVERNING LAW PROVISION.** This Note shall be governed by and construed in accordance with the laws of the State where the lender is located and the laws of the United States of America. The maximum interest rate applicable to the loan evidenced by this Note shall be governed by the laws of the United States of America, including 12 U.S.C. Section 1831u.

**ADDITIONAL WARRANTIES.** In further consideration of the modifications set forth herein and in order to induce the Lender to consent to these modifications, the Borrowers hereby represent and warrant that as of this date: (a) Borrowers have no defense to any actions by the Lender based on or arising out of the Promissory Note and/or any subsequent modifications; (b) Borrowers have no claims or causes of actions against the Lender based on or arising out of the Promissory Note and/or any subsequent modifications; and (c) the Lender is not in breach or default of any of the loan documents herein described.

**SUCCESSORS AND ASSIGNS.** Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the Indebtedness.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: Centennial Bank PO Box 966 Conway, AR 72033.

**MISCELLANEOUS PROVISIONS.** This Agreement is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude Lender's right to declare payment of this Agreement on its demand. If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

**PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.**

**BORROWER:**

**INCORPORATION OF JONESBORO ARKANSAS**

By: COPY  
Harold Perrin, Mayor of Incorporation Of Jonesboro  
Arkansas

By: COPY  
Donna Jackson, City Clerk of Incorporation Of  
Jonesboro Arkansas

**LENDER:**

**CENTENNIAL BANK**

X COPY  
John N. Wooten, Senior Commercial Loan Officer

## DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$23,000.00</b>	<b>04-26-2018</b>	<b>04-26-2019</b>	<b>2757539938</b>	B5	***	***	
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**Borrower:** Incorporation Of Jonesboro Arkansas  
 PO Box 1845  
 Jonesboro, AR 72403

**Lender:** CENTENNIAL BANK  
 Jonesboro Main Branch  
 2901 East Highland Drive  
 Jonesboro, AR 72401

**LOAN TYPE.** This is a Fixed Rate (5.250%) Nondisclosable Draw Down Line of Credit Loan to a Corporation for \$23,000.00 due on April 26, 2019. This is a secured renewal loan.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

**SPECIFIC PURPOSE.** The specific purpose of this loan is: 2757539938 - To renew letter of credit with the City of Jonesboro.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$23,000.00 as follows:

Undisbursed Funds:	\$23,000.00
Note Principal:	\$23,000.00

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

Prepaid Finance Charges Paid in Cash:	\$250.00
\$250.00 Loan Processing Fee	
Other Charges Paid in Cash:	\$230.00
\$230.00 Letter of Credit Fee	
Total Charges Paid in Cash:	\$480.00

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED APRIL 26, 2018.

**BORROWER:**

**INCORPORATION OF JONESBORO ARKANSAS**

By: COPY  
 Harold Perrin, Mayor of Incorporation Of Jonesboro  
 Arkansas

By: COPY  
 Donna Jackson, City Clerk of Incorporation Of  
 Jonesboro Arkansas



## NOTICE OF FINAL AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$23,000.00</b>	<b>04-26-2018</b>	<b>04-26-2019</b>	<b>2757539938</b>	<b>B5</b>	<b>***</b>	<b>***</b>	<b>***</b>

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**Borrower:** Incorporation Of Jonesboro Arkansas  
 PO Box 1845  
 Jonesboro, AR 72403

**Lender:** CENTENNIAL BANK  
 Jonesboro Main Branch  
 2901 East Highland Drive  
 Jonesboro, AR 72401

**BY SIGNING THIS DOCUMENT EACH PARTY REPRESENTS AND AGREES THAT: (A) THE WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES, (B) THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES, AND (C) THE WRITTEN LOAN AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES.**

As used in this Notice, the following terms have the following meanings:

**Loan.** The term "Loan" means the following described loan: a Fixed Rate (5.250%) Nondisclosable Draw Down Line of Credit Loan to a Corporation for \$23,000.00 due on April 26, 2019. This is a secured renewal loan.

**Loan Agreement.** The term "Loan Agreement" means one or more promises, promissory notes, agreements, undertakings, security agreements, deeds of trust or other documents, or commitments, or any combination of those actions or documents, relating to the Loan, including without limitation the following:

#### LOAN DOCUMENTS

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>- Corporate Resolution: Incorporation Of Jonesboro Arkansas</li> <li>- BAR CODE FOR CREDIT DOCS - Bar Code Cover Sheet for CREDIT DOCS</li> <li>- BAR CODE FOR REAL ESTATE - Bar Code Cover Sheet for REAL ESTATE</li> <li>- Disbursement Request and Authorization</li> <li>- Errors and Omissions Agreement: Incorporation Of Jonesboro Arkansas</li> </ul> | <ul style="list-style-type: none"> <li>- Change In Terms Agreement</li> <li>- BAR CODE CS FOR MISC - Bar Code Cover Sheet for MISCELLANEOUS</li> <li>- BAR CODE FOR NOTE - Bar Code Cover Sheet for NOTE</li> <li>- BAR CODE FOR LOM - Bar Code Cover Sheet for LOM</li> <li>- Notice of Final Agreement</li> <li>- Loan Cover Sheet</li> </ul> |
|--|---|

**Parties.** The term "Parties" means CENTENNIAL BANK and any and all entities or individuals who are obligated to repay the loan or have pledged property as security for the Loan, including without limitation the following:

**Borrower:** Incorporation Of Jonesboro Arkansas

Each Party who signs below, other than CENTENNIAL BANK, acknowledges, represents, and warrants to CENTENNIAL BANK that it has received, read and understood this Notice of Final Agreement. This Notice is dated April 26, 2018.

**BORROWER:**

**INCORPORATION OF JONESBORO ARKANSAS**

By: COPY  
 Harold Perrin, Mayor of Incorporation Of Jonesboro Arkansas

By: COPY  
 Donna Jackson, City Clerk of Incorporation Of Jonesboro Arkansas

**LENDER:**

**CENTENNIAL BANK**

X COPY  
 John N. Wooten, Senior Commercial Loan Officer

